



Community Housing Development Organization [CHDO] Certification Or Recertification Application

[This form is fillable.]

I. COVER SHEET

Organization Name: _____

Contact Person: _____

Address: _____

City: _____ State: _____ Zip: _____ Phone: _____ Fax: _____

Email: _____ Website: _____

Parent Organization, if any: _____

Funding Request: The organization is applying for HOME CHDO set-aside funds for the following project.

Name of Project: _____

Amount: _____

Location of project to be developed: _____

Date of Incorporation: _____ Tax ID Number: _____

IRS Tax Status: [Please check appropriate box]

☐ 501(c)(3) Received: _____

☐ 501(c)(4) Received: _____

☐ Other: _____

Note: If all requirements are met, the Department will certify the Applicant as a City of Houston CHDO upon the award of HOME funds. A new application for CHDO certification is required by the Department with each application for HOME CHDO set-aside or operating funds.

II. LEGAL STATUS

A. The nonprofit organization is organized under the Texas Nonprofit Corporation Act as evidenced by:

- | | |
|--|-------------------|
| <input type="checkbox"/> Charter, Or | Page Number _____ |
| <input type="checkbox"/> Articles of Incorporation | Page Number _____ |

B. No part of its net earnings inure to the benefit of any member, founder, contributor, or individual, as evidenced by:

- | | |
|--|-------------------|
| <input type="checkbox"/> Charter, Or | Page Number _____ |
| <input type="checkbox"/> Articles of Incorporation | Page Number _____ |

C. Has a tax exemption ruling from the Internal Revenue Service [IRS] under Section 501(c)(3) or (4) of the Internal Revenue Code of 1986, as evidenced by:

- ☐ A 501(c)(3) or 501(c)(4) Certificate from the IRS dated 1986 or later.

OR

Is classified as a subordinate of a central organization nonprofit under the Internal Revenue Code, as evidenced by:

- ☐ A group exemption letter from the IRS, which is dated 1986 or later, which specifically lists the CHDO as a part of the group exemption.

NOTE: *The exemption ruling from the IRS must be effective on the date of application and must continue to be effective while the organization is certified as a CHDO. **Pending applications with the IRS for either 501(c)(3) or 501(c)(4) status cannot be used to comply with this tax status requirement.***

D. Has as its primary purpose the provision of decent housing that is affordable to low-moderate income people, as evidenced by a statement in organization's:

- | | |
|--|-------------------|
| <input type="checkbox"/> Articles of Incorporation, OR | Page Number _____ |
| <input type="checkbox"/> By-laws, OR | Page Number _____ |
| <input type="checkbox"/> Charter, OR | Page Number _____ |
| <input type="checkbox"/> Resolutions | Page Number _____ |

III. CAPACITY

A. Conforms to the financial accountability standards of 24 CFR 84.21, "Standards of Financial Management systems," as evidenced by:

- ☐ Affidavit in a form prescribed by HCDD [see attached] signed by the President, Chairman, or Chief Financial Officer of the organization, OR
- ☐ A certification from a Certified Public Accountant, OR
- ☐ A HUD approved audit summary

B. Shows evidence of financial reporting ability by attaching the most recent financial statements of the organization [audited if possible] and a copy of the current year's operating budget as approved by the Board of Directors.

C. Has a demonstrated capacity for carrying out activities assisted with HOME funds, as evidenced by:

- ☐ Resume and / or statements that describe the experience of key staff members who have successfully completed projects similar to those to be assisted with HOME funds; OR
- ☐ Contracts with experienced consulting individuals or firms that will train key staff. These consultants must have housing experience similar to the project that will be assisted with HOME funds; AND
- ☐ Staff roster for organization that lists employee names and titles

D. Has a history of serving the community, within which housing to be assisted with HOME funds is to be located, as evidenced by ALL of the following:

- ☐ A statement that documents at least one year of experience in serving the community where HOME funds will be used;
 - ☐ Board minutes from a board meeting **in each quarter of the previous year**. Board minutes of the parent organization may be submitted for a newly formed organization.
 - ☐ In the space below, identify the city and county of the proposed property where HOME funds are to be used and a statement of the boundaries of the service area or "community" that the organization serves. Attach a boundary map, as well, to this application.
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IV. ORGANIZATIONAL STRUCTURE

A. Maintains at least one-third of its governing board's membership for **residents of low-income neighborhoods, other low-income community residents, or elected representatives of low-income neighborhood organizations** as evidenced by the organization's:

- ☐ Articles of Incorporation, OR Page Number _____
- ☐ By-laws, OR Page Number _____
- ☐ Charter Page Number _____

AND

- ☐ Notarized affidavit signed by the Board of Director's Chairperson.

AND

- ☐ Current roster of all Board Members, including names, titles, professional affiliations, if any, and physical home addresses.

AND

- ☐ Board Member Information Form completed and signed by each member.

"Low-income" as defined by the U.S. Department of Housing and Urban Development [HUD] is an annual income that does not exceed 80 percent of the median income for the area, after making adjustments for family size.

B. Provides a formal *written* process for low-income, program beneficiaries **to advise** the organization in all of its decisions regarding the design, siting, development, and management of affordable housing projects, as well as procedures as to how the formal process will be implemented [public hearings, flyers, media, etc.] as evidenced by:

- ☐ By-laws, OR Page Number ____
- ☐ Resolutions, OR Page Number ____
- ☐ A written statement of operating procedures approved by the governing body. Statement must be on original letterhead, signed by the Executive Director and evidence date of Board approval.
- ☐ The date of the most recent meeting between low-income beneficiaries and the Board for purposes of this Advisement Process was ____.

C. A CHDO may be chartered by a State or local government, but the following restrictions apply: (1) the State or local government **may not appoint** more than one-third of the membership of the organization's governing body; (2) the board members appointed by the State or local government **may not, in turn, appoint** the remaining two-thirds of the board members; and (3) **no more than one-third** of the governing board members are public officials [including employees of the Participating Jurisdiction or State recipients], as evidenced by the CHDO's:

- ☐ Articles of Incorporation, OR Page Number ____
- ☐ By-laws, OR Page Number ____
- ☐ Charter Page Number ____

D. If the CHDO is sponsored or created by a for-profit entity, the for-profit entity **may not appoint** more than one-third of the membership of the CHDO's governing body, and the board members appointed by the for-profit entity **may not, in turn, appoint** the remaining two-thirds of the board members, as evidenced by the CHDO's:

- ☐ Articles of Incorporation, OR Page Number ____
- ☐ By-laws, OR Page Number ____
- ☐ Charter Page Number ____

E. If the organization is sponsored or created by a for-profit entity, the CHDO **must be free to contract for goods and services** from vendors of its own choosing, as evidenced by:

- ☐ Articles of Incorporation, OR Page Number ____
- ☐ By-laws, OR Page Number ____
- ☐ Charter Page Number ____

V. RELATIONSHIP WITH FOR-PROFIT ENTITIES

A. The CHDO is not controlled, nor receives directions from individuals, or entities seeking profit from the organization, as evidenced by:

- ☐ A Memorandum of Understanding [MOU], OR MOU Attached ____
- ☐ By-laws Page Number ____

B. A CHDO may be sponsored or created by a for-profit entity provided the for-profit entity's primary purpose does **not** include the development nor management of housing, as evidenced by:

- ☐ By-laws Page Number ____

**Community Housing Development Organization [CHDO] Certification
Affidavit of Standards for Financial Management Systems**

Date: _____

Affiant: _____

Recipient: _____
[Insert exact legal name of the organization]

Affiant on oath swears that the following statements are true and are within the personal knowledge of Affiant:

1. Affiant is the President AND / OR Chief Financial Officer of the Recipient and is authorized to make this affidavit on behalf of Recipient.
2. Recipients' financial management systems conform to the financial accountability standards set forth in 24 CFR 84.21, by providing for and incorporating the following:
 - a. Accurate, current, and complete disclosure of the financial results of each federally-sponsored project;
 - b. Records which identify the source and application of funds for federally-sponsored activities. These records contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, outlays, income, and interest;
 - c. Control over and accountability for all funds, property and other assets; adequate safeguards of all such assets shall be adopted to assure that all assets are used solely for authorized purposes;
 - d. Comparison of outlays with budget amounts for each award;
 - e. Written procedures to minimize the time elapsing between the receipt of funds and the issuance or redemption of checks for program purposes by the recipient;
 - f. Written procedures for determining the reasonableness, allocability, and allowability of costs in accordance with the provisions of Federal cost principles [Circular A-122] and the terms and conditions of the award;
 - g. Accounting records, including cost-accounting records that are supported by source documentation.

Affiant: _____

NOTARY SEAL

Title: _____

Subscribed and sworn before me on the _____ day of _____, 20____, by _____,

on behalf of _____

Notary Public State of Texas

My commission expires: _____

Community Housing Development Organization [CHDO] Certification
Affidavit of Board Representation

On this _____, day of _____, 20____,

I [insert name], _____, hereby certify that each of the individuals identified in the attached exhibit are residents of a low income neighborhood, are other low income community residents, or are elected representatives of a low income neighborhood organization. Each is an active member of _____'s Board of Directors.

“Low income” is defined as households whose annual incomes do not exceed 80% of the median income for the area, as determined by HUD with adjustments for smaller and larger families.

I certify that the above statement is true and correct. I understand that any misstatement or falsification of information shall be grounds for denial or revocation of certification for CHDO status.

Affiant: _____

NOTARY SEAL

Title: _____

Subscribed and sworn before me on the _____, day of _____, 20 _____

by _____ on behalf of _____

Notary Public State of Texas

My commission expires: _____

BOARD MEMBER INFORMATION FORM

This form must be completed, signed, and dated by each member of the Board of Directors of your organization.

I am a board member of the following nonprofit organization seeking CHDO status:

Name of Organization: _____

Board Member: _____
[Print]

Home Address: _____

Phone: Home _____ Business _____

Occupation and Employer: _____

Business Address: _____

PLEASE CHECK ANY OF THE FOLLOWING THAT APPLIES TO YOU:

- ☐ I am a resident of a low-income neighborhood. [This does not mean that you must be a low-income person, only that your residence is in a low-income neighborhood.]
- ☐ I am a low-income resident of the community. [Community can mean neighborhood, the city, county, or metropolitan area.]
- ☐ I am an elected representative of a low-income neighborhood organization. Name of organization and your title: _____

[Examples of such organizations are block groups, town watch organizations, civic associations, neighborhood faith-based groups, etc.]

- ☐ I am a representative of the public sector. [A public sector representative is any elected public official, any appointed public official, any employee of a public agency or department, or any individual who is appointed by a public official to serve on a CHDO board.]

I certify that the information above is correct as of the date indicated below.

Signature

Date